

Remarks

This Amendment accompanies a Request for Continued Examination (RCE) under 35 C.F.R. §1.114, and responds to the final Office Action mailed January 27, 2006. The enclosed check in the amount of \$ 720 includes the amount of \$395 to cover the fee for filing the Request for Continued Examination, \$225 to cover the required extension of time fee [37 C.F.R. §1.117(a)(2)], and \$100 to cover the fee for extra claims added by this Amendment as noted on the attached "Fee Determination Record". If the enclosed fee is deficient in any manner, please charge any such deficiency to Deposit Account No. 23-0822.

By the above Amendment, Claims 12, 25, 60, 68, 71, 72 and 75 have been canceled; Claims 1, 3, 9, 13, 15, 17, 18, 24, 28, 38, 42, 44, 46, 49, 55, 61 and 63 have been amended; and new Claims 78-85 have been added. Added Claims 78, 79 and 81-85 read on the elected embodiment, i.e. Species I (FIGs. 1-13).

Claims 1-11, 13-24, 26-59, 61-67, 69, 70, 73, 74 and 76-85 are pending in this application, of which Claims 7-11, 20-24, 26-37, 47, 48, 62 and 80 stand withdrawn from consideration as being drawn to non-elected species.

The canceled claims in this application have been reinstated by new claims added by the above Amendment, as follows:

Canceled Claim	Reinstated by New Claim
12	78
68	79
25	80
71	82
72	83
60	84
75	85

Reconsideration of this application is respectfully requested in view of the Request for Continued Examination, the foregoing Amendment, the accompanying Declaration Under 37 C.F.R. §1.132, and the following Remarks.

Applicant respectfully submits that all claims as presently amended are patentable over Neugebauer (U.S. Patent No. 5,522,163) in view of Yeh (6,256,914) or Yang (5,167,085), the references cited by the examiner in rejecting elected claims as originally filed (Office Action dated 3/16/2005) and as previously amended (Office Action dated 1/27/2006), for the reasons discussed below. Applicant notes that, by the above Amendment, applicant's claims which were

previously amended (by Amendment filed 8/4/2005) have been substantially reinstated as originally filed in this application. Specifically, applicant's currently amended Claim 1 is substantially identical to Claim 1 as originally filed, currently amended independent Claim 38 is substantially identical to original Claim 38, currently amended independent Claim 49 is substantially identical to original Claim 49, and currently amended independent Claim 63 is substantially identical to original Claim 63.

The stated objective described in the Neugebauer patent is to provide “*a screw down card holder* having dimensions smaller than those of conventional screw down card holders” (Neugebauer at column 1 lines 44-46) which, “rather than having four screws, this card holder is closed by *one threaded fastener*” (Neugebauer at column 1 lines 65-67) [Emphasis added]. The Neugebauer patent essentializes the closure of the cover to the base as being obtained by a threaded fastener (see also, for example, the Neugebauer patent at column 1 lines 51-53 and at column 3 lines 11-20), as well as in the Neugebauer patent’s prosecution history which distinguishes a frictional closure from the screw closure, stating that the frictional engagement system does not suggest the use of a threaded fastener and alignment apertures to effectuate a closure of the container” (Neugebauer prosecution history, page 6 of Amendment dated December 5, 1995). Accordingly, Neugebauer teaches that a threaded fastener is an essential element of the card holder disclosed in the Neugebauer patent, thereby teaching away from the substitution of a non-threaded fastener for the Neugebauer threaded fastener.

As noted by the Federal Circuit in *In re Rouffet*, 47 USPQ2d 1453, 1459 (Fed.Cir. 1998), “invention itself is the process of combining prior art in a non-obvious manner.” Applicant submits that one of ordinary skill in the sports card holder art would not have been motivated to select the Yeh or Yang references and to combine either one of them with the Neugebauer reference to result in applicant’s invention as claimed in applicant’s independent Claims 1, 38, 49 and 63, particularly in view of the Neugebauer patent essentializing the threaded fastener and leading away from any such motivation. “[R]eferences that teach away cannot serve to create a *prima facie* case of obviousness.” *McGinley v. Franklin Sports Inc.*, 60 USPQ2d 1001, 1010 (Fed.Cir. 2001). See also *W.L. Gore. & Assoc. v. Garlock, Inc.*, 220 USPQ 303, 311 (Fed.Cir 1983)

Accordingly, applicant submits that currently amended independent Claims 1, 38, 49 and 63, as well as all pending claims depending from these amended independent claims, are patentable over Neugebauer in view of either Yeh or Yang.

Dependent Claims 78, 81 and 84, depending respectively from currently amended Claims 1, 38 and 49, recite applicant's projecting end portion of one of the magnetic members and the recessed other one of the magnetic members, and the aligned indentation for receiving that projecting end portion. Claims 78, 81 and 84 are similar to Claims 1, 38 and 49 as amended in applicant's previous Amendment filed 8/4/2005, and the argument presented by applicant in that previous Amendment with respect to the previously amended Claims 1, 38 and 49 is repeated and incorporated herein by reference with respect to dependent Claims 78, 81 and 84 added by the present Amendment. Accordingly, applicant submits that Claims 78, 81 and 84, as well as all claims depending therefrom, recite subject matter separately patentable over Neugebauer in view of Yeh or Yang.

Moreover, even assuming *arguendo* that the examiner has established a *prima facie* case of obviousness based upon the cited references, applicant submits herewith objective evidence of non-obviousness for rebutting any possible *prima facie* case of obviousness. "Objective evidence of non-obviousness may be used to rebut a *prima facie* case of obviousness based on prior art references." *Tec Air Inc. v. Denso Manufacturing Michigan Inc.*, 52 USPQ2d 1294, 1298 (Fed.Cir. 1999). Such objective evidence may include commercial success, copying and long-felt but unsolved need, *In re Rouffet*, 47 USPQ2d 1453, 1456 (Fed.Cir. 1998). Specifically, applicant submits the accompanying "Declaration Under 35 C.F.R. §1.132" of Bruce J. Greenbaum, President of applicant's assignee Ultra Pro L.P.

Mr. Greenbaum's Declaration relates that the Ultra Pro magnetic trading card holder shown in Exhibit 1 of the Declaration (Part #81757 for regular cards and Part #81721 for thick cards) is substantially as shown in FIGs. 1-11 of the present patent application, and the claims of that patent application read upon the Ultra Pro magnetic holder; that the Ultra Pro magnetic holder was developed as an alternative to the 1-screw screw-down trading card holder (Part #81139 and Part #81268 also shown Exhibit 1 of the Declaration); and that the only difference between the magnetic card holder and the 1-screw holder is that the magnetic holder includes a

magnetic closure as claimed in the patent application while the 1-screw holder's closure includes a threaded fastener.

The Declaration sets forth and compares sales of Ultra Pro's magnetic card holder and Ultra Pro's 1-screw holder (see tabulation following paragraph 4 of the Declaration, and shown in graphical form in Exhibits 2 and 3 [Exhibit 2 showing calendar quarter dollar sales of the Ultra Pro magnetic holder (in black) and of the Ultra Pro 1-screw holder (in white), Exhibit 3 showing calendar quarter unit sales of the Ultra Pro magnetic holder (in black) and of the Ultra Pro 1-screw holder (in white)]. The analyses of these data, discussed in paragraph 6 of the Declaration, concludes that during the seven calendar quarters (ending with the first quarter 2006, the most recent calendar quarter) following Ultra Pro's introduction of its magnetic holders (both for regular cards and for thick cards) magnetic holder dollar sales accounted for 174% of 1-screw holder dollar sales, or 64% of combined dollar sales (i.e., the sum of magnetic holder sales and 1-screw holder sales), while magnetic holder unit sales accounted for 109% of 1-screw holder unit sales or 52% of combined unit sales. Less than two years after the introduction of both magnetic holders, during the first calendar quarter of 2006 the magnetic holder dollar sales accounted for 246% of 1-screw holder dollar sales and 71% of combined dollar sales, while magnetic holder unit sales accounted for 159% of 1-screw holder unit sales and 61% of combined unit sales. Mr. Greenbaum states that these figures indicate that, as between the magnetic holder and the 1-screw holder, the magnetic holder has become the card holder of choice by the purchasing public, notwithstanding that the selling price of the magnetic holder is about 1½ times the selling price of the 1-screw holder.

Paragraph 8 of the Declaration discusses market share. Based upon available information and belief, the declarant estimates that, during the period prior to and at the time of Ultra Pro's introduction of the magnetic holder, the market for the 1-screw holder was approximately 900,000 units per year and that Ultra Pro's unit sales at that time accounted for approximately 50% of that market. The declarant estimates that the current combined market for the 1-screw holder and its magnetic alternative is approximately 1,700,000 units per year, of which Ultra Pro's share is approximately 75%. During the one-year period ending with the first quarter 2006 (the most recent calendar quarter), Ultra Pro sold 768,000 magnetic holders, accounting for about 45% of the combined magnetic and 1-screw market. During the last

calendar quarter (i.e., the first calendar quarter of 2006), Ultra Pro sold 262,400 magnetic holders in a combined market of 425,000 for that quarter, so that Ultra Pro's current market share of its magnetic holder unit sales is estimated at 62% of the combined magnetic and 1-screw market. These data evidence that sales of the Ultra Pro magnetic holder comprise a substantial share of the combined market.

Paragraph 9 of the Declaration discusses the recent introduction of a magnetic trading card holder by Pro-Mold, Inc., a competitor and prominent manufacturer of 1-screw screw-down card holders. The Pro-Mold magnetic card holder is substantially similar to the Pro-Mold 1-screw screw-down card holder in Pro-Mold's U.S. Patent 5,522,163 to Edward J. Neugebauer (cited by the examiner as the primary reference in the present patent application), except that the magnetic card holder provides a closure comprising a pair of magnets rather than a threaded screw closure, i.e. the Pro-Mold magnetic card holder utilizes the card holder magnetic closure invention disclosed and claimed in the present application.

As related in the Declaration and in particular in Exhibit 4 (distributor announcement) and page 1 of Exhibit 5 ("News Release"), Pro-Mold introduced its magnetic holder to the marketplace in December 2005, some twenty-nine months after Ultra Pro introduced its magnetic holder for regular cards and nineteen months after Ultra Pro introduced its magnetic holder for thick cards, when it became clear that Ultra Pro's magnetic trading card holder was enjoying commercial success at the expense of the 1-screw screw-down trading card holder market. An even cursory review of the Pro-Mold "News Release" and product description advertisements of Exhibit 5 reveals the magnetic closure as the primary and prominent selling feature of Pro-Mold's new magnetic card holder, along with an inference that the magnetic closure feature originated with Ultra Pro ("while certainly not the first one on the market", and identifying Ultra Pro's "One-Touch" product designation as a product "alias", see Exhibit 1 and pages 2-4 of Exhibit 5).

Paragraph 7 of the Declaration explains that a major advantage of the magnetic holder is that its magnets are permanently embedded in the magnetic holder's base and cover panels, and the panels are virtually self fastening and may be unfastened without tools. In contrast, the screw of the 1-screw holder is separable from the base and the cover panels and must be manipulated by a user, is subject to loss, and requires a tool (such as a screwdriver) for

fastening and unfastening the panels. Paragraph 7 concludes by noting that Ultra Pro's high sales of its higher priced magnetic holder in relation to and exceeding the sales of its 1-screw holder is the direct result of applicant's magnetic closure as claimed in the patent application.

The discussion in paragraphs 6, 7 and 8 of the Declaration demonstrate commercial success of applicant's magnetic holder and a nexus between such commercial success and the magnetic closure feature of applicant's invention, as well as evidencing that applicant's magnetic holder satisfied a long-felt but unsolved need for an alternative to the 1-screw holder without the disadvantages inherent in a threaded screw closure. Further as regarding nexus, the prominence of the magnetic closure feature in the competitor Pro Mold's magnetic holder advertising as discussed in paragraph 9 of the Declaration (see pages 1-4 of Exhibit 5), creates an inference that links the claimed invention to applicant's magnetic holder commercial success to show non-obviousness, *Gambro Lundia AB v. Baxter Healthcare Corp.*, 42 USPQ2d 1378, 1384 (Fed.Cir. 1997).

In view of the foregoing, applicant respectfully submits that pending elected Claims 1-6, 13-19, 38-46, 49-59, 61, 63-67, 69, 70, 73, 74, 76-79 and 81-85 patentably distinguish over the references of record. Applicant further submits that independent Claims 1, 49 and 63 are generic to the species identified by the examiner as Species II, III and IV, and applicant requests reconsideration by the examiner of the pending claims of such additional species. Applicant respectfully requests issuance of a Notice of Allowance with respect to all claims pending in this application.

Respectfully submitted,

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FEE DETERMINATION RECORD
CLAIMS AS AMENDED

(Col. 1)	(Col. 2)	(Col. 3)	SMALL ENTITY
CLAIMS REMAINING AFTER AMENDMENT	HIGHEST NO PREVIOUSLY PAID FOR	PRESENT EXTRA	ADDIT. RATE FEE
TOTAL 78	MINUS 74	= 4	x\$25 \$100.00
INDEP. 6	MINUS 6	= 0	x\$100 \$0.00
FIRST PRESENTATION OF MULTIPLE DEP. CLAIM			\$180 \$0.00
			TOTAL ADDIT. FEE <u>\$100.00</u>